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MID-TERM REVIEWS OF COUNTRY AND INTERCOUNTRY PROGRAMMES

Mid-term review of the third country programme for Nigeria

1. The third country programme for Nigeria (1987-1991) was prepared during the design and implementation of the structural adjustment programme adopted in 1986, in the context of a large current account deficit, sagging foreign investment, and a build-up of trade arrears which aggravated Nigerian external payment problems. The structural adjustment programme strategy was designed to expand non-oil exports, reduce the import content of locally manufactured goods, achieve self-sufficiency in food, and give a large role to the private sector.

2. The Government used the review as an expository exercise not only for the Federal Government but also for the 21 States of the Federation, whether or not they participate in programmes and projects funded by the United Nations Development Programme (UNDP). For a country that is rediscovering technical co-operation, this reconfirmed the Government's determination to maximize the benefits of scarce opportunities in this area.

I. SUMMARY OF THE COUNTRY PROGRAMME

3. Total resources available for the third country programme were estimated at \$51 million. Government cost-sharing, including carry-over from the previous country programme, amounted to \$17.2 million, or 33.7 per cent. The balance of \$750,000 was from the United Nations Emergency Operations Trust Fund (EOTF).

4. The third country programme addressed three major themes: (a) agriculture and rural development; (b) industry and technology; and (c) human resources development, employment and capacity-building, with aviation and infrastructure as complementary assistance to these sectors of concentration.

5. The original allocation of available resources in accordance with the objectives of the country programme was:

	<u>Dollars</u>	<u>Per cent</u>
Agriculture and rural development	16 815 000	33
Industry and technology	16 296 000	32
Human resources development	13 279 000	26
Miscellaneous	1 535 000	3
Unprogrammed reserve	<u>3 064 000</u>	<u>6</u>
Total	<u>50 989 000</u>	<u>100</u>

6. The third country programme was approved by the Governing Council in 1987. Since its approval, the following developments have affected available resources and their utilization during the programming cycle: (a) in June 1988, the Governing Council allocated to Nigeria an additional indicative planning figure (IPF) amount of \$8,104,000; (b) the Government submitted a list of additional pipeline projects for funding; (c) the Government's inability to meet its original programme cost-sharing obligation of \$6 million resulted in the reassignment of the original allocations to new pipeline projects.

II. PREPARATION OF THE MID-TERM REVIEW

7. Preparatory activities for the mid-term review included consultations with the Federal Ministry of Finance and Economic Development, on the various processes, activities and review events. The field office undertook a detailed analysis of the project portfolio, reviewed the existing situation, highlighted major problems and identified issues for discussion.

8. A three-day review meeting was held from 2 to 4 May 1990. It was attended by high-level representatives of Federal and 21 State Ministries, and over 200 invited guests, including the donor community, the private sector, media, and United Nations Development System (UNDS) field offices and headquarters representatives of UNDP, the Food and Agricultural Organization of the United Nations (FAO), the Department of Technical Co-operation for Development (DTCD), the United Nations Centre on Transnational Corporations (UNCTC), the International Telecommunication Union (ITU), the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Industrial Development Organization (UNIDO). A final meeting was held between UNDP and the Government to confirm decisions and articulate strategy for enhancing the achievement of the objectives under the third country programme. A final mid-term review report was issued and adopted by the Government and UNDP.

III. MAJOR FINDINGS OF THE REVIEW

A. Progress in programme implementation

9. The third country programme was approved with 21 ongoing projects continuing from the second country programme. Of these, seven were completed during the period 1987-1989, three are continuing as new phases, while nine, which started towards the end of the last cycle, are still ongoing. The planned allocation for these projects in the approved country programme amounted to some \$9.7 million, whereas their actual current approved budget stands at about \$12.2 million.

10. While in 1987 62.8 per cent of IPF resources remained uncommitted, by December 1989 this fell to 5.8 per cent. There are also 23 pipeline projects estimated to cost \$11.8 million.

B. Budget performance

11. Of \$40 million allocated for approved projects in the third country programme (1987-1991), \$16 million (estimated figure for 1989 included) were spent during the period under review i.e., 1987-1989. Thus, only 37.6 per cent of total IPF resources for 1987-1991 was spent in the first three years, as against the projected utilization of 60 per cent. Consequently, 62.4 per cent of the IPF resources for the third country programme should be delivered during the last two years of the cycle.

C. Execution modalities

12. This was the first country programme for which the Government took complete charge of formulation. While this was a significant advance for the management of technical co-operation, it fell short of total control of the entire process. The State Governments and other participating agencies did not achieve the level of experience gained by their Federal counterparts in technical co-operation matters.

13. The implementation modalities for the third country programme resembled those utilized during the preceding country programmes. The continued use of traditional modalities for project execution can be attributed to various factors, including (a) little knowledge of the role and responsibility of Government in the tripartite framework of United Nations technical co-operation; (b) a traditional approach by United Nations agencies in the identification, formulation, and execution of technical co-operation projects; (c) a weak understanding of the role of technical co-operation in overall economic development, resulting in inefficient utilization on the part of recipient agencies.

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D. Project identification, formulation and approval

14. Project design generally fell short of expectations. Lack of clarity and linkage within the project documents compounded implementation problems. Minimal participation of nationals in the project cycle led to project design internally inconsistent with the desires of the sponsoring Government agencies, which consequently did not provide full support in execution. Available statistics indicate a time-lag of some 18.8 to 29.3 months between the receipt of a request from the Government and the appraisal/approval of the project by all parties.

E. Project implementation

15. Low delivery is the major weakness in programme performance. The major causes are: delay in Government contribution; delay in delivery of inputs by UNDP/agencies; poor quality of international personnel; poor quality of counterpart personnel; professional incompatibility between national and international experts.

Personnel

16. The budgetary performance of this component in the programme was above average. The use of long-term resident experts continued during the period. Other options such as short-term advisory services (STAS), the Transfer of Knowledge through Expatriate Nationals (TOKTEN), United Nations volunteers and associate experts were hardly used. This is largely due to the inexperience of the country in the use and benefits of these options.

17. A major problem is the average delay of 16 months experienced in fielding experts. Also, the quality of expertise provided under the third country programme came under severe criticism since it contributed to low quality delivery in projects. The role of executing agencies in identifying and proposing candidates for expert posts was criticized as being less than thorough.

18. The use of national expertise has of late gained some attention. In 1987, there were 22 international long-term experts compared to one national expert. Presently there are 55 international experts compared to 25 nationals. Eight of the 55 long-term experts presently involved with execution of UNDP-funded projects are women.

19. The mid-term review directed that UNDP should assist in establishing a national information data base of human and institutional capacities. The Government believed that this would assist in building the requisite capacity to manage technical assistance programmes.

Equipment

20. Of 34 ongoing projects at the time of the review, 13 (26 per cent) had equipment-related problems ranging from the delivery of inappropriate or wrongly specified equipment to very late deliveries.

Training

21. The training component accounts for 13.1 per cent of approved country programme project resources. Performance has been delayed as a result of the late start-up of projects. It has predominantly been undertaken through fellowships at institutions in developed countries.

F. Monitoring, reporting and evaluation

22. Most operational projects within the country programme period have been subject to monitoring visits, reporting requirements and tripartite reviews. However, it was noticed that the Project Performance Evaluation Reports were not timely, nor sufficiently detailed and updated for use in decision-making during tripartite review meetings.

23. Tripartite review meetings tended to be bogged down in details of projects and failed to delineate remedial actions and responsibilities of all parties. Recommendations of the tripartite review meetings were inadequate, making monitoring very difficult.

24. Visits to projects by relevant Government officials were few, due to budgetary and other constraints. The mid-term review recommended advance planning of monitoring visits by Government officials; increased agency backstopping; improved Project Performance Evaluation Reports by all project management; and increased UNDP assistance to the Government in undertaking project monitoring visits.

G. National execution

25. Against this backdrop of problems experienced with all projects executed by United Nations agencies, the mid-term review agreed that this modality was no longer adequate to satisfy the requirements of the country. On account of this inadequacy, the Government explicitly indicated its choice for the use of national execution forthwith, to harness relevant national capacity for managing technical co-operation programmes.

26. While the concept of national project execution is not entirely new to the country, it has hitherto not been used in executing the country programme because of: (a) the difficulty in meeting United Nations regulations for national project execution; (b) lack of conviction on the part of the Government; and (c) the diversity of projects, which poses co-ordination and management problems, given the size and structure of the Federal and State systems.

27. The Government is aware of the need to develop the capacity for satisfying the requirements for direct project execution. The mid-term review concluded that the national technical co-operation assessment and programmes (NATCAP) exercise, the Management Development Programme (MDP), public awareness workshops and supporting activities will go a long way in developing an appreciation of UNDP procedures, national execution, and the institutional framework. It was agreed that

multisectoral reconnaissance missions should be fielded to undertake sectoral needs assessment. For better monitoring, the Government has established a special unit within its co-ordinating ministry.

H. General conclusions

28. The third country programme was designed in parallel with the Government's structural adjustment programme, and reflects the priority thrusts of that programme. The mid-term review confirmed that, in comparison with the previous country programme, the sectoral thrusts are sharper and target areas for projects have been narrowed down. In particular, the country programme has incorporated several social development projects (13 per cent of allocated resources) that are intended to alleviate the impact of adjustment (lower per capita incomes, increased unemployment, and reductions in public services). In other respects, the country programme addresses the priority adjustment themes of expanded agricultural and industrial production.

29. The third country programme, in its three major themes (agriculture; industry and technology; human resources development) was therefore judged by the mid-term review to remain relevant to national development objectives. However, difficulties in project implementation described in the previous paragraphs have resulted in a low delivery of programme outputs. It was consequently not possible to establish during the mid-term review that substantial progress has already been achieved towards programme objectives. Rather, the mid-term review concentrated on removing constraints to programme implementation during the remainder of the country programme period.

IV. PROPOSED ADJUSTMENT IN THE COUNTRY PROGRAMME

30. No overall adjustment was made to the country programme. An in-depth evaluation of part or of the whole programme is not deemed necessary. Instead, the meeting agreed that individual projects will be subjected to more stringent and rigorous monitoring and evaluation to ensure that they are on track and programme/project objectives are fully realized.

31. In recognition of the inadequacies of the former five-year fixed medium-term planning framework, the Government has instituted a new three-year rolling plan within a 15 to 20 year perspective plan. The first three-year rolling plan covers 1990-1992. This change in planning framework may require that the fourth country programme be started in 1993 instead of 1992, to conform with the Government planning cycle.

Annex

FINANCIAL SUMMARY AS OF MARCH 1990

At start of
country programme At time of MTR

I. RESOURCES TAKEN INTO ACCOUNT

IPF allocations (including third cycle carry-over)	33 037 000	42 429 000
Government cost-sharing	17 202 000	10 450 000
Third-party cost-sharing	<u>-</u>	<u>1 075 000</u>
Subtotal of IPF-linked resources	50 239 000	54 017 000
Other funds under authority of Administrator	<u>750 000</u>	<u>750 000</u>
Total resources taken into account	<u>50 989 000</u>	<u>54 767 000</u>

At start of
country programme At time of MTR

II. USE OF RESOURCES a/

Approved projects	10 535 000	40 041 000
Pipeline projects	37 390 000	11 833 000
Unprogrammed resources	<u>2 314 000</u>	<u>2 143 000</u>
Total	<u>50 239 000</u>	<u>54 017 000</u>

a/ IPF plus cost-sharing.
